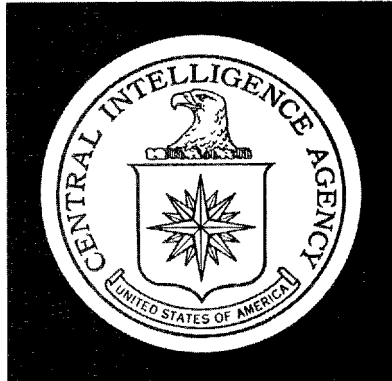
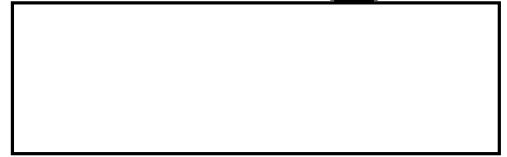


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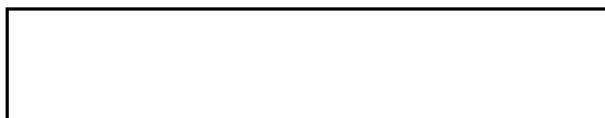
DIRECTORATE OF
INTELLIGENCE

MEMORANDUM

The Situation in Vietnam

Top Secret
112

28 February 1967



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Information as of 1600
28 February 1967

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HIGHLIGHTS

Heavy fighting is reported in northern Quang Tri Province and in the northwest near the Laos border there are continuing indications of intensified Communist infiltration, resupply, and construction activity.

I. The Military Situation in South Vietnam:

Heavy fighting has been reported by US Marines in northernmost Quang Tri Province (Paras. 1-3). Heavy fighting has also been reported by elements of the US 1st Infantry Division in the first major battle of Operation JUNCTION CITY in northern Tay Ninh Province (Para. 4). US Marines completed Phase I of Operation DECK HOUSE VI in southeastern Quang Ngai Province and began Phase II by making another amphibious landing farther to the south along the coastal flatlands (Paras. 5-6). South Vietnamese Operation CUU LONG 55 ended successfully in Kien Hoa Province on 27 February (Para. 7). South Korean forces in South Vietnam have been ordered to avoid action that could result in heavy casualties (Para. 10). Intensified Communist activity in the A Shau Valley area (Paras. 11-16).

II. Political Developments in South Vietnam:

Another anti-De Gaulle demonstration occurred in Saigon on 28 February (Paras. 1-2). A threatened strike of the nation's electrical workers has been avoided (Para. 3).

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IV. Other Communist Military Developments: There is nothing of significance to report.

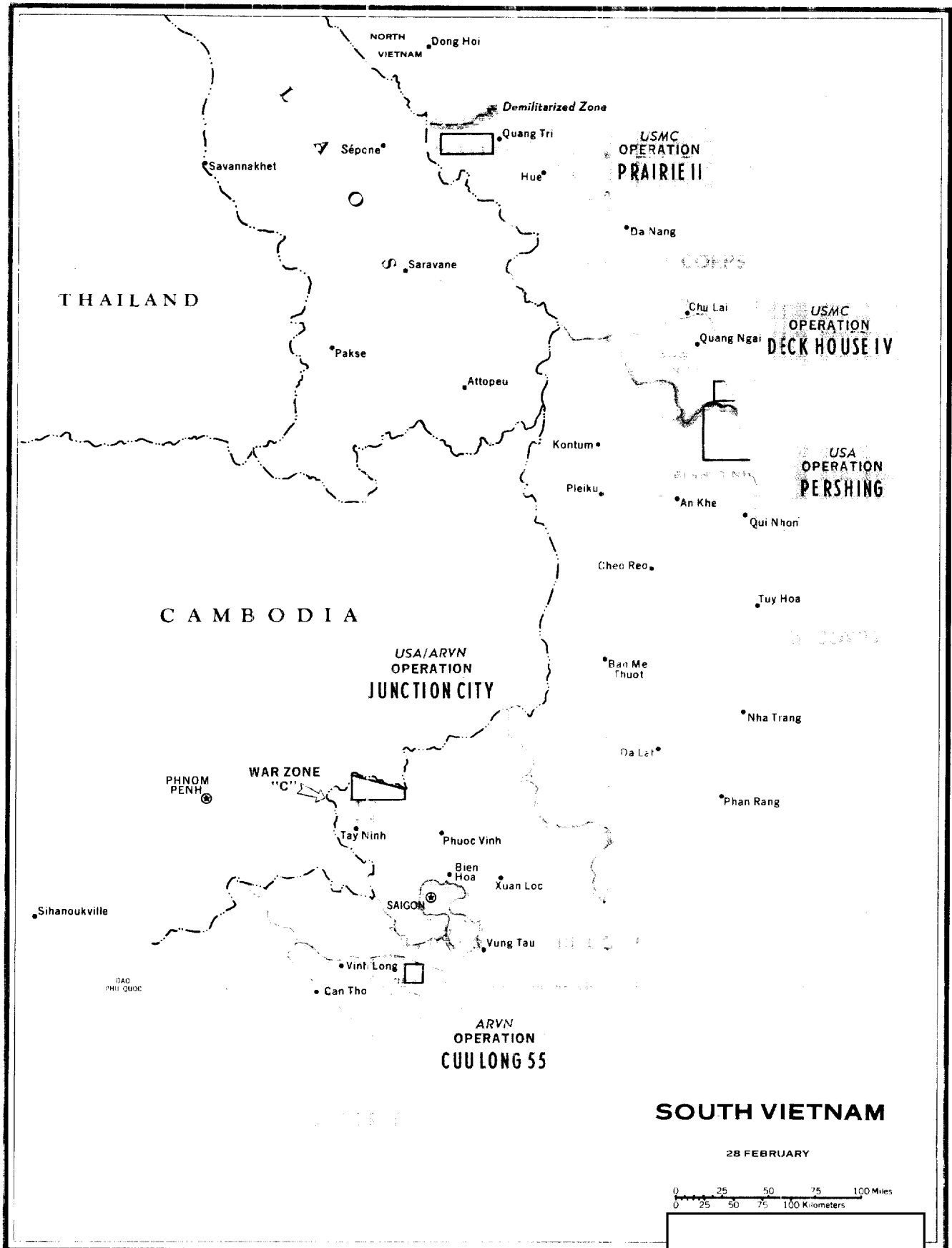
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V. Communist Political Developments: Hanoi again denies that Peking is obstructing Soviet aid shipments (Paras. 1-2). DRV vice premier urges local government initiative to free national government for war effort (Paras. 3-5).

VI. Other Major Aspects: Truck traffic in Laos continues at a high level (Paras. 1-3). New railroad bed under construction just north of Hanoi on Ping-hsiang line is standard gauge (Paras. 4-5).

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I. THE MILITARY SITUATION IN SOUTH VIETNAM

1. A US Marine reconnaissance platoon which has been patrolling northernmost Quang Tri Province since 31 January as part of the multibattalion Operation PRAIRIE II encountered a large enemy force about a mile south of the DMZ before dawn on 27 February. The enemy unit, estimated to number at least 100, directed intensive small-arms fire against the marines.

2. Additional American units were moved into the area to reinforce the platoon, and by shortly after dawn more than five US Marine companies were in the battle. The Communist forces also brought in additional units, and latest estimates put the enemy force at battalion strength. Another Communist battalion is believed to be in the DMZ area and capable of joining the fight.

3. Preliminary reports indicate that 11 Americans have been killed and 67 wounded. Enemy losses are unknown but are expected to be heavy. Within recent weeks there have been many intelligence indications of heavy enemy troop movements within and south of the DMZ. It is too early to ascertain whether the engagement now under way is part of an enemy plan to attack in force in the northern provinces or whether it resulted from maneuvers to defend certain vital areas.

4. Early on 28 February, elements of the US 1st Infantry Division participating in the 23 battalion Operation JUNCTION CITY established contact with an estimated company-size or larger enemy force 15 miles north of Tay Ninh city. This seems likely to be the first major contact of the week-long search-and-destroy operation aimed at clearing Communist War Zone "C." US reinforcements have been flown in and tactical air strikes and artillery have supported the Americans. Preliminary reports from this engagement indicate that 34 Americans have been killed and 55 wounded. Enemy losses have been initially reported as three killed.

5. On 25 February, US Marines completed Phase I of Operation DECK HOUSE VI, which was conducted in the coastal lowlands of southeastern Quang Ngai Province. This search-and-destroy operation, which began on 15 February with an amphibious assault against a suspected Communist sea infiltration point resulted in at least 170 enemy troops killed compared with American casualties of five killed and 45 wounded.

6. About 12 hours after the US Marines had withdrawn from the area, Phase II of DECK HOUSE VI began with another amphibious landing about 16 miles to the south of the original landing. This maneuver was designed to catch a large Communist force--including elements of the 22nd North Vietnamese Army Regiment--off guard. Little enemy resistance has been reported thus far.

7. South Vietnamese Operation CUU LONG 55, conducted by five South Vietnamese Army battalions in the Mekong Delta province of Kien Hoa, ended on 27 February. This successful week-long search-and-destroy sweep resulted in Viet Cong losses of 60 killed and 347 individual weapons, 12 crew-served weapons, 40 tons of small-arms ammunition, ten tons of explosives, and other items of military equipment captured. In addition, 43 Communist sampans were destroyed. Friendly losses were five killed and 14 wounded.

8. One South Vietnamese Popular Force platoon reported killing ten Viet Cong in Sa Dec Province on 27 February. There were no friendly losses reported. Three Communist weapons were captured as a result of this encounter.

9. Sporadic contact was reported on 27 February between US Army units participating in Operation PERSHING--presently sweeping the lowlands of coastal Binh Dinh Province--and Communist forces. As the result of several attempts by the enemy forces to probe the American positions, four Americans were killed and 13 wounded. Three enemy soldiers were reported killed. Since this nine-battalion search-and-destroy operation began on 11 February, American casualties have been reported to be 63 killed and 281 wounded. Communist losses included 331 killed.

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ROK Forces in Vietnam Again Ordered to Avoid Casualties

10. South Korean Defense Minister Kim Song-un took the occasion of his recent trip to Vietnam to reiterate an earlier order that Korean forces avoid all action that could result in heavy casualties until after the Korean elections this spring. According to a Ministry of Defense official, Kim is concerned that praise of the ROK military performance in Vietnam may cause the ROK commanding general to agree to move his troops to a new and less secure area if requested by the Americans. Kim wants the ROK forces to stay in the coastal areas where they can protect Korean civilian workers who earn valuable foreign exchange. Kim stated that his policy had President Pak's full support.

Intensified Communist Activity in A Shau Valley Area

11. There have been continuing indications since late 1966 of an intensification of Communist infiltration, resupply, and related construction activity in the A-Shua Valley area of northern Thua Thien Province, near the Laotian border.

12. According to US aerial observers, repair and construction work extending Route 922--one of the three principal Laotian roads leading toward South Vietnam--northeast to a point approximately 10 kilometers across the Laos/Thua Thien Province border into the A Shau Valley has been in progress since at least mid-December 1966. There is evidence of considerable recent supply movements along this route, which is reportedly also being used for the infiltration of North Vietnamese Army (NVA) troops.

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13. MACV does not believe that the road is currently motorable along the full length of the new segment, although trucks have been observed on the Laotian portion of the route as far as the South Vietnamese border. At the present rate of improvement, however, it is estimated that trucks might be able to travel from NVA Base Area 606--the staging point of the extension activity and located in the Laos/Thua Thien/Quang Tri Province tri-border area--to the A Shau Valley in less than 30 days.

14. On 23 February, a US/CIDG reconnaissance patrol reported that roads in the valley were being improved and widened. Numerous defensive positions, involving two- and three-man foxholes with elaborate wooden frames were reported throughout the entire area. The patrol subsequently established heavy contact with an estimated two NVA companies and was withdrawn from the area.

15. The reported redeployment of the 6th NVA Regiment from its accepted operating area in central Quang Tri Province southward to Thua Thien Province may be intended to augment a possible major enemy buildup in the A Shau Valley region. [REDACTED]

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[REDACTED] the regimental headquarters and its three subordinate battalions were located in semipermanent positions approximately 15 miles west-southwest of Hue. [REDACTED] prior to 1 January 1967, the regiment retrained and reorganized for a post-Tet offensive which had as its objective the destruction of lines of communication between Hue and Pho Trach.

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16. The possible redeployment of the 6th NVA Regiment, increased enemy activity in the A Shau Valley, and enemy construction activity in Base Area 606, [REDACTED] indicate the presence of at least two NVA regiments, suggest that the Communists may be planning a major reinforcement of

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their "Northern Front" military command structure
in northern South Vietnam.

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II. POLITICAL DEVELOPMENTS IN SOUTH VIETNAM

1. The second demonstration in as many days against the French Consulate in Saigon took place on 28 February. Unlike the first, however, the second demonstration was orderly and nonviolent, starting as a procession of lambrettas--three-wheeled motor scooters--and ending at the French Consulate, where banners denouncing De Gaulle and pacificism were hung. The French consul-general has told Ambassador Lodge that the demonstrators were mostly students plus some youths from one of the minority labor unions.

2. According to the US Embassy, a demonstration organized behind the scenes by the GVN Ministry of Youth and including all the youth organizations in Saigon is reportedly scheduled for 2 March. The demonstration will apparently follow the theme of those of 27 and 28 February. Following this, on 4 March, several Catholic groups are reportedly planning to hold a meeting of approximately 3,000 people in the general area of the French Consulate. In addition, the embassy has received reports that some unnamed political parties are planning to get into the act next week.

Strike Averted

3. Another threat to the uneasy labor situation was averted on 26 February when the management of the government-owned electrical power system acceded to labor union demands not to transfer two labor union officials out of Saigon. The union, which oversees the organization of electrical workers, had threatened to call a nationwide strike if the men were transferred.

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IV. OTHER COMMUNIST MILITARY DEVELOPMENTS

1. There is nothing of significance to report.

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V. COMMUNIST POLITICAL DEVELOPMENTS

1. In an "authorized" statement broadcast on 28 February, Hanoi once again denied that Peking is hindering the transit of goods from the USSR and other Communist states across China to the DRV. The DRV statement claimed that such reports were "sheer fabrications aimed at very wicked purposes" and reiterated Hanoi's contention that China has wholeheartedly helped transport aid from the other Communist states "adequately and according to schedule."

2. The DRV statement, like an earlier one in late January, ignored the fact that statements of Chinese obstructionism have been issued repeatedly by the Soviets, and attributed them instead to the Western press. Hanoi's need to preserve a balanced position between Peking and Moscow makes it almost imperative that it periodically issue statements denying that Peking is hindering Soviet aid.

DRV Vice Premier on Economic Problems

3. In the concluding portion of his speech to a recent national planning conference, DRV Vice Premier Pham Hung admitted that the demands placed upon the DRV's economy by the war had adversely affected the peoples' livelihood. He outlined the major economic objectives of the 1967 state plan and strongly implied that manpower allocation is still one of the regime's most serious problems. In referring to the military drain on civilian manpower, he said that the requirements of combat had been "heavy and sudden" and that these requirements had hit some areas harder than others. In these areas, production--particularly agricultural production--had suffered. He saw no relief in sight, however, and implied that military demands would continue to generate manpower problems in 1967. He recommended that local agencies in rural areas meet the manpower shortage in agriculture by introducing as much mechanization as possible.

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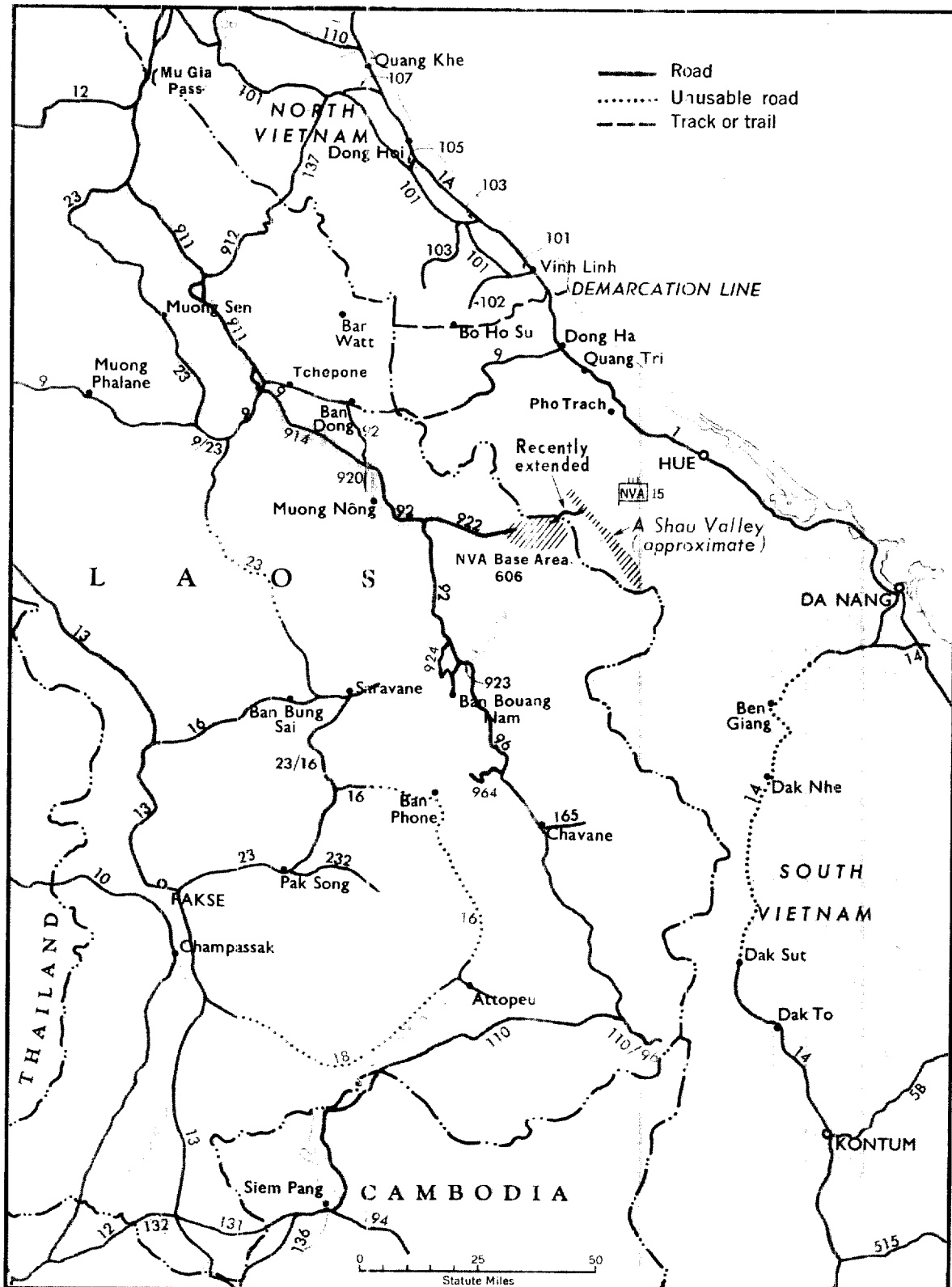
4. The 1967 plan as outlined by Pham Hung emphasized the development of self-sufficient regions much more than earlier plans have. The vice premier's talk is replete with exhortations to local officials to limit their demands on national resources and expenditures. Pham Hung said, for example, that the government's resettlement and evacuation programs had strained existing government institutions and implied that local governments must accept responsibility for such problems, freeing national government funds for more urgent "combat requirements."

5. In the future the plan apparently tasks all levels of local government to be as self-sufficient as possible in meeting consumer demands--produce their own food, solve their own logistics and procurement problems, and promote the manufacture of simple farm machinery. Such regional self-sufficiency, said Pham Hung, would permit the national administration to concentrate on the country's military requirements. The vice premier spoke several times of the recent central committee decisions calling for a "shift in the direction of economic development" and the need to concentrate on building up the local economies.

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LAOS PANHANDLE



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VI. OTHER MAJOR ASPECTS

Laotian Truck Traffic

1. The Communists may now have an improved capability to transport supplies by truck through the Laotian panhandle to the South Vietnamese border. Recent MACV reports continue to indicate bicycle traffic and some trucks along Route 922 in the southern panhandle. This route was recently extended into South Vietnam.

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average of about 24 trucks entered the Laos panhandle through the Mu Gia Pass. This is roughly the average that has prevailed during the current dry season with the exception of the Tet truce period, when traffic south through the pass reached an unprecedented level of almost 300 trucks in four days.

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3. Farther south in the panhandle between 13 and 24 February a daily average of 15 trucks moved south on Route 23, and 13 on Route 911. These are the highest levels of traffic reported on these two routes during any two-week period of the current dry season. This traffic apparently was generated by the trucks which entered through Mu Gia Pass during Tet.

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segment of new roadbed under construction about 13 miles north of Hanoi on the meter-gauge railroad to Ping-Nsiang. The new roadbed parallels the main line and an accompanying passing track. There were standard-gauge length ties in the vicinity, suggesting that either the new bed is to be laid with standard track or that the main line is to be converted to dual gauge.

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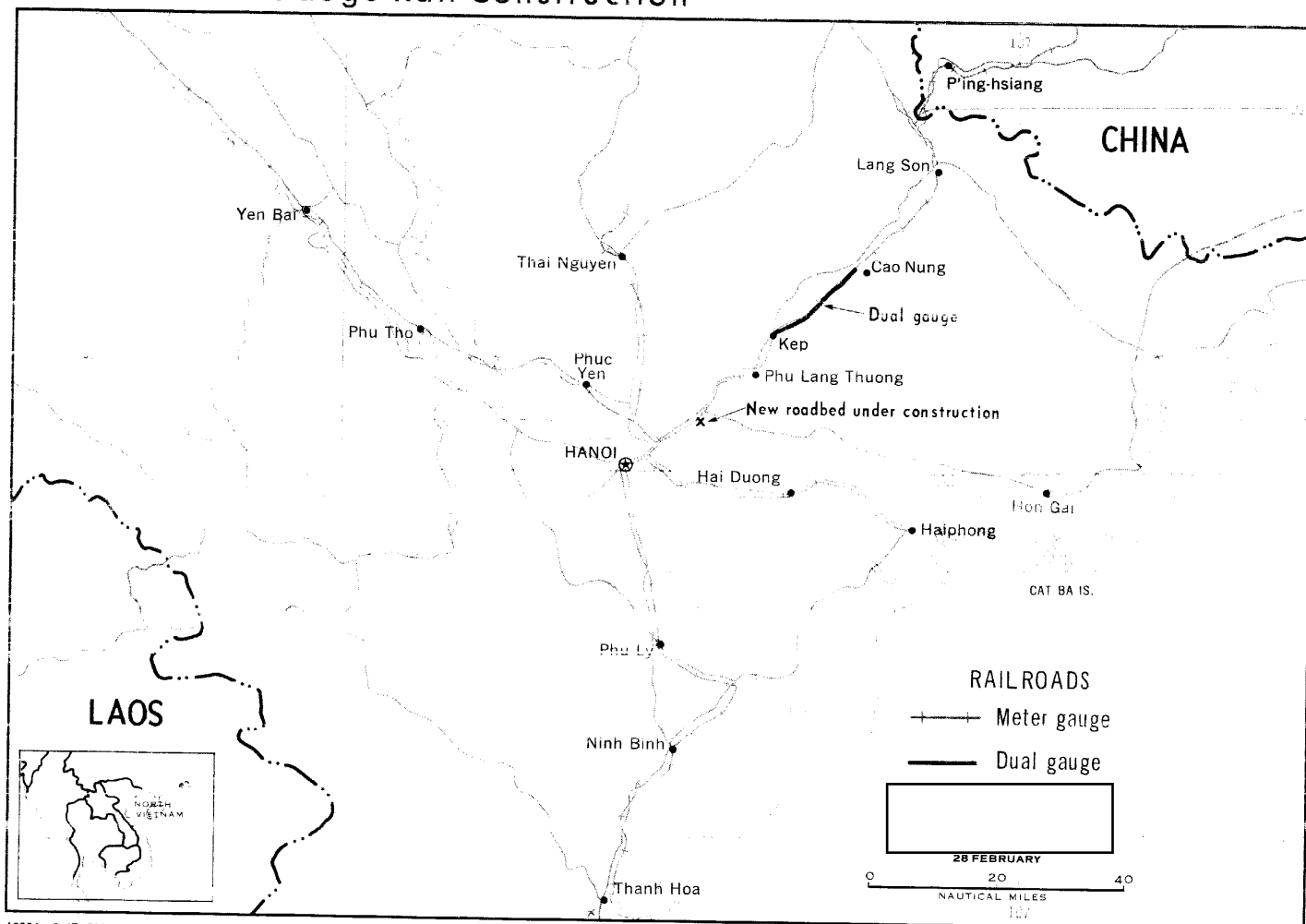
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Possible Dual Gauge Rail Construction



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5. There is no confirmation that the entire section between Ping-hsiang and Kep has been converted to dual gauge. Standard-gauge trains have, however, been observed [redacted] between Cao Nung and Kep. It would take some months to convert the line from Kep to Hanoi. When completed, supplies coming from or through China on the Hanoi - Ping-hsiang railroad would no longer need to be transloaded.

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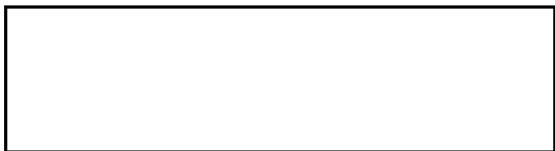
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